copies were produced, in order to make it possible for the applications for the return of account books being exempted from court fees.

DEWAN'S REPLY : മുൻസിഫന്മാർ നടത്തുന്ന മറുജോലികൾ നടത്തുന്നതക്കുവണ്ണം മുൻസിഫ് കോടതികളിൽ, ഹൈക്കോടതിയിലെ രജിസ്ട്രാരെപ്പോലെ, ഒരുദ്യോഗസ്ഥനെ നിയമിക്കണമെന്നു നിങ്ങൾ പറഞ്ഞു. നിങ്ങൾ പറഞ്ഞതരത്തിൽതന്നെ ഒരുദ്യോഗസ്ഥനെ നിയമിക്കാൻ പ്രയാസമാണ്. എങ്കിലും മുൻസിഫിന്റെ ഏതാനും ജോലികൾ ഇങ്ങനെനടത്താം. ഈവിഷയത്തെ സംബന്ധിച്ചു ലാസ്ഡിലേസ് കമ്മീഷണരോട് ആലോചിച്ചു് വേണ്ടതുചെയ്യാം.

കണക്കുപുസ്തകം തിരുമ്പി കൊടുക്കുന്ന സംഗതിയെപ്പറ്റി നിങ്ങൾ പറഞ്ഞു. അതു് ഹൈക്കോടതിയിലേക്ക് റഫർചെയ്തിരിക്കയാണ്. ഹൈക്കോടതി അതിനെപ്പറ്റി ആലോചനനടത്തിവരുന്നു. അവരുടെ അഭിപ്രായം വന്നശേഷം അതിനെപ്പറ്റി ആലോചിക്കാം.

[Your proposal to have in every Munsiff's Court an officer with powers imilar to those of the Registrar in the High Court, though not practicable to the extent suggested, will be referred to the Law's Delays Commissioner. The question of return of account books produced in courts has been referred to the High Court and is under consideration by them. Government will deal with the matter after getting the reply of the High Court.]

23. Insolvency Regulation.

Mr. BHAGHAVATI PERUMAL CHETTIYAR (*Trading Classes, Nagercoil*) who spoke in Tamil, dweltabout the necessity for the amendment of the Insolvency Regulation. The Insolvency Regulation was necessary only in places where there was much trade; it was not at all necessary in a State like Travancore where agriculture was the mainstay of the people. The traders of the country did not apply to the Government for the enactment of the Regulation; nor did they want a modification of the old practice. In the case of a banker who had run away evading his creditors, the High Court expressed the opinion that there must be an Insolvency Regulation to prevent a recurrence of such happenings and pursuant to that opinion the Regulation was enacted.

The Regulation was passed on the model of the Insolvency Regulation of British India more than 25 years ago. In British India there were two Acts, one for the Presidency towns and the other for the Provinces. The latter Act was taken as the basis for the Travancore Regulation. Even at the time when those Acts were introduced in British India, some defects were found and attempts were being made year after year to rectify them. But no amendment to the Travancore Regulation had been introduced as yet, even though 25 years had passed since its enactment.

The member then enumerated some of the defects in the Regulation. The Regulation enabled foreign bankers to come to Travancore with a fraudulent intention to defeat creditors; there was a feeling prevalent in the country that the debtor was not bound to repay the money lent to him and that the Insolvency Regulation would help him. So long as the Regulation was in force, the people of Travancore could not carry on their trade with peace of mind. A Regulation that wrought such great havoc on the people deserved to be scrapped from the Statute Book. If that was not found to be feasible by the Government, it behoved them at least to make some amendments to it.

Debtors executed pro-notes and ante-dated them. They also transferred their properties five or six months before they put in applications for being declared insolvent. A provision should therefore be made for the submission of a statement showing details of the transfer of the properties effected during the previous three years as well as the account books, ledgers, etc., along with the application. It should be shown in the statement how the loss that led to the application was incurred. Applications which did not strictly comply with that provision should be rejected; and on no account should a second petition be re-entertained from the same person. Again, petitions should be received only from traders and craftsmen; and agriculturists should not be allowed to apply for being declared insolvent.

Debtors who often fabricated accounts escaped without being punished as their creditors were unable to discover the fabrications. Such persons should be punished. Whenever therefore the court suspected that the debtor was trying to defeat his creditors, a case should be taken up against him in the Sessions Court instead of ordering a prosecution in the Insolvency Court. Provisions should be made to that effect in the Penal Code and the Criminal Procedure Code.

Debtors should not be declared insolvent when they had to pay less than Rs. 2,000 or were not able to pay 8 as. in the rupee. Every insolvent should get an order within three months of his application to the effect that he should not be arrested. If in any case the applicant failed to do that, his petition should be rejected. Within six months of the date of application, the applicant should apply for discharge. If there were a large number of creditors and if the debtor paid only some of the creditors before three months of the application, his application should be rejected. The privileges such as the right to vote should be taken away from undischarged insolvents.

There should be a register in the District Courts for recording the number of insolvency cases disposed of. If a suit had to be considered, the amount of the suit should be above Rs. 2,000. If a debtor put in an application for being declared insolvent, he should deposit half the amount in the court. Additional clerks should be appointed in the District Courts for dealing with matters relating to insolvency.

The Receivers appointed by the Insolvency Courts were Vakils who did not find much time to inspect properties and get proper value for them. Consequently, the creditors were not paid in time. Full-time Receivers should therefore be appointed. When a portion of the property was sold, the Receiver kept the money with him and did not distribute it until the whole of the property was sold. There should be a legal provision that the money should be distributed to the creditors within three days of its receipt by the Receiver, for, the creditors suffered great loss on account of the delay in the receipt of the money. The power to distribute the amount should be vested in the District Court. Receivers should not be allowed anything more than their T. A. and the money received in respect of one case should not be spent in respect of another. Further, the accounts of the Receivers should be audited by certified auditors. Receivers should be allowed to sell only the proprietory rights.

Creditors who had obtained decrees in courts before the declaration of insolvency should be given court expenses.

DEWAN'S REPLY: இந்த இன்ஸால்வென்ஸி ரெகுலேஷன் ரத்து செய்வதைப்பற்றி சொன்னீர்களை. அது சரியாயிருக்கு மென்று எனக்கு தோன்றவில்லை. இரண்டாவது சொன்னீர்களை அந்த ரெகுலேஷன் சீர்திருத்துவதைப்பற்றி அது சரியாக இருக்கும் பட்சத்தில் அதைப்பார்த்து அடிஷனல் ஹெட்சர்காம் வக்கீலுக்கு அனுப்பலாம். அடிஷனல் ஹெட்சர்கார் வக்கில் இப்போது இந்த பில்லை எழுதி வருகிறார்கள். நீங்கள் சொல்லுகிற பாயின்டுகளை கொடுத்தால் அவைகளை அடிஷனல் ஹெட்சர்கார் வக்கீலிடம் கொடுத்து அதில் எதையெல்லாம் சேர்க்கலாமோ அவைகளைப் பார்த்து சேர்க்கலாம்.

[You spoke about repealing the Insolvency Regulation. It does not seem to me that it would be right to do so. If what you said about it secondly, *viz.*, amending the Regulation, is correct, it would be looked into and sent to the Addititional Head Sirkar Vakil. The Additional Head Sirkar Vakil is now engaged in drafting an amending Bill. If you would give me in writing all the points you have raised, they will be forwarded to the Additional Head Sirkar Vakil and he will embody such of them as could be embodied.]

24. Establishment of a Munsiff's Court at Pattanamtitta.

MR. C. MATHAI MATHEW (*Pattanamtitta taluk*) speaking in Malayalam, gave expression to the loyalty of the inhabitants of the Pattanamtitta taluk to His Highness the Maha Raja and Her Highness the Maha Rani Regent. The member said that his taluk, which was the biggest taluk in the State with a population of 142,664 and contributing Rs. 1,05,804 by way of land revenue to the State exchequer, possessed only very few public institutions.

In regard to the administration of Civil Justice, the *pakuthies* of the taluk were divided between the Munsiff's Courts at Adur and